THE EMBODIMENTS OF THE INVENTION IN WHICH AN EXCLUSIVE PROPERTY OR PRIVILEGE IS CLAIMED ARE DEFINED AS FOLLOWS:

1. A method for securing of and repayment of a loan amount advanced to a borrower from an investment entity, comprising the steps of:

a) determining a reference loan having an amount equal to the loan amount, the reference loan having a preselected amortization period, interest rate and period of payment;

b) calculating a periodic payment including interest and principal components, such that at the end of the reference loan amortization period the reference loan is repaid in full;

c) determining an investment instrument satisfactory to the borrower and the investment entity, the investment instrument having a preselected estimated rate of return;

d) obligating the borrower to periodically invest a preselected investment amount in the investment instrument, wherein the preselected investment amount is correlated to the periodic payment of the reference loan;

e) said investment entity receiving the proceeds of the investment instrument at a preselected time in satisfaction of the loan, wherein the preselected time is based upon the preselected estimated rate of return.

loan.

2. The method claimed in claim 1 wherein the investment instrument produces returns which are permitted to build on a tax-free basis.

3. The method claimed in claim 1 wherein the investment instrument includes a life insurance policy on the life of the borrower, the borrower comprising at least one individual.

4. The method as claimed in claim 1 further comprising the steps of periodically calculating an actual rate of return of the investment instrument, and obligating the borrower to invest additional investment amounts in the investment instrument if the actual rate of return of the investment instrument is less than the estimated rate of return.

5. A method for financing a loan of a loan amount to a borrower, the loan being made by a lender and secured by a mortgage security on a property, the borrower comprising at least one individual, comprising the steps of:

a) obligating the borrower to periodically make a premium payment on a life insurance policy on the life of the borrower, the life insurance policy naming the lender as beneficiary, the life insurance policy being cashable for a cash surrender value;

b) arranging for at least a portion of the premium payment to be invested in at least one investment vehicle, the investment vehicle having a preselected estimated rate of return;

c) calculating an estimated cash surrender value of the life insurance policy over time based on the portion of the premium payment to be invested in the at least one investment vehicle and the preselected estimated rate of return;

d) periodically applying the proceeds of the investment vehicle to the insurance policy to increase the cash surrender value thereof;

e) receiving the cash surrender value of the policy at a preselected time in full satisfaction of the loan, wherein the preselected time is based upon the estimated cash surrender value.

6. The method as claimed in claim 5 further comprising the steps of periodically calculating an actual rate of return of the at least one investment vehicle, and obligating the borrower to make additional premium payments if the actual rate of return of the at least one investment vehicle is less than the estimated rate of return.

7. The method as claimed in claim 8 further comprising the step of paying the borrower investment surplus amounts if the actual rate of return of the at least one investment vehicle exceeds the estimated rate of return.

8. The method as claimed in claim 7 further comprising the steps of periodically calculating an actual rate of return of the at least one investment vehicle, and arranging to have the borrower make additional premium payments if the actual rate of return of the at least one investment vehicle is less than a preselected lower rate limit.

9. The method as claimed in claim 7 further comprising the steps of receiving the cash surrender value and the death benefit of the life insurance policy in the event of the death of at least one individual, and discharging the loan in the event of the death of at least one individual.

10. A method for producing a loan agreement defining loan obligations between a borrower and an investment entity associated with the purchase of an asset, said method comprising

determining a loan amount to be advanced by the investment entity to the borrower to complete a purchase of the asset,

said borrower and said investment entity agreeing on an interest rate generally corresponding to a marketplace charge for a loan associated with the purchase of assets similar to the asset,

determining an investment portfolio for said borrower and satisfactory to said investment entity correlated to said loan amount and having an anticipated rate of return sufficient to repay said loan amount and any interest charges based on said agreed interest rate over a preselected period of time,

said investment portfolio requiring said borrower to provide periodic payments to said investment portfolio for increasing the value of the investment portfolio for the eventual settlement of said loan amount,

producing a loan agreement for consideration of said borrower and said investment entity obligating said borrower to make said periodic payments to said investment portfolio in exchange for said investment entity providing said borrower with said loan amount,

said agreement additionally requiring future adjustment of the loan obligations based on the actual rate of return of said investment portfolio over time and said anticipated rate of return.

11. A method for producing a loan agreement as claimed in claim 10 wherein said loan agreement further includes terms providing said investment entity a

security interest in said asset exercisable in the event of default of said loan agreement.

12. A method for producing a loan agreement as claimed in claim 11 wherein said future adjustments of said loan obligations are determined on a monthly basis.

13. A method as claimed in claim 11 wherein said future adjustments are determined on a periodic basis less than about 1 year.

14. A method as claimed in claim 11 wherein said investment portfolio includes a life insurance policy for said borrower operable to satisfy any remaining loan obligations in the event of the death of said borrower.

15. A method as claimed in claim 11 wherein said investment portfolio is an investment portfolio offered by an insurance company and has a tax exempt status to said borrower.

16. A method as claimed in claim 15 wherein said agreement includes terms requiring the borrower to provide an additional payment in the event said actual rate of return is less than said anticipated rate of return.

17. A method as claimed in claim 16 wherein said agreement includes terms for varying the loan obligations in a manner favorable to the borrower to reflect any additional value in said investment portfolio when said actual rate of return exceeds said anticipated rate of return.

18. A method as claimed in claim 17 wherein said agreement defines said anticipated rate of return as a specified range and the terms of the agreement do not vary the monthly payments of said loan obligations unless the actual rate of return is outside of said specified range.

19. A method as claimed in claim 15 wherein said agreement requires the creation of an account for said borrower with said investment entity with all periodic payments of said borrower to be deposited in said account, said agreement further including terms allowing said investment entity to withdraw funds from said account corresponding to loan obligations with any remaining funds being invested in said investment portfolio.

20. A method as claimed in claim 10 including using a computer to produce and track said loan agreement.